



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District


YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

July 11, 2008

To: Supervisor Yvonne B. Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich  
From:   
William T. Fujioka  
Chief Executive Officer

## SACRAMENTO UPDATE

This memorandum provides an update on the State Budget Conference Committee actions and status of County-sponsored legislation.

### State Budget Conference Committee Actions

In addition to the State Budget actions previously reported, the Conference Committee took the following actions of interest to the County when it completed its work on Tuesday, July 8, 2008.

**Medi-Cal Semi-Annual Reporting.** The Conference Committee voted 4 to 2 to implement Medi-Cal semi-annual reporting requirement for children. The Committee also adopted trailer bill language to sunset this requirement on December 31, 2011 and to require a report to the Legislature by December 15, 2010 on the impact of this requirement on children. The Governor's Proposed Budget would have eliminated continuous 12-month eligibility and required quarterly reporting for children receiving Medi-Cal.

**Propositions 84 and 1E.** The Conference Committee took action on items affecting the Department of Public Work's (DPW) ability to compete for bond funding from Propositions 84 (The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006) and 1E (The Disaster Preparedness

*"To Enrich Lives Through Effective And Caring Service"*

*Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only*

and Flood Protection Bond Act of 2006) for water management and flood control projects. The Conference Committee rejected the Governor's proposal to provide \$452 million in Propositions 84 (\$350 million) and 1E (\$102 million) funding, and reduced funding by \$155 million for the FloodSAFE program. The Committee did appropriate \$44 million for urban stormwater grants.

Based on your Board's action of July 1, 2008 accepting the recommendations outlined in DPW's report on the Governor's declaration of a Statewide drought, a five-signature letter was sent to the Governor and the legislative leadership requesting the appropriation of funds from Propositions 84 and 1E and that the allocation of these funds be expedited to local agencies due to the current water crisis. **Our Sacramento advocates will continue to advocate for the expedited appropriation of Propositions 84 and 1E funds.** A summary of the actions taken by the Conference Committee related to Propositions 84 and 1E is provided below.

Integrated Regional Water Management (IRWM). The Conference Committee adopted the Senate version which rejects almost all of the Governor's proposed \$350 million in Proposition 84 bond funds for the IRWM Program. As a result of this action, DPW indicates that neither the Antelope Valley IRWM, the Upper Santa Clara IRWM, nor the Greater Los Angeles IRWM regions will have the opportunity to apply for funding for projects in their respective regions.

Stormwater Flood Management. The Conference Committee adopted the Senate version which rejects the Governor's proposed \$102 million for the Department of Water Resources for Proposition 1E. DPW indicates that funding for the Big Tujunga Dam project was anticipated to come from Proposition 1E and that other flood control projects throughout the County may have to be deferred to provide funding for the Big Tujunga Dam project. The Big Tujunga Dam project is being undertaken to meet the State's dam safety requirements.

FloodSAFE. The Conference Committee adopted the Assembly version which reduces funding by \$155 million for the FloodSAFE Program which provides funding for levee improvements. DPW indicates that because the trailer bill language is not yet available, they cannot assess its impact, however, a reduction of funding would affect potential grant funds that could be used for improving levees of the Flood Control District.

Urban Stormwater Grants. The Conference Committee adopted the Governor's proposed \$44 million in Proposition 84 bond funds for urban stormwater grants. DPW indicates that these grant funds would provide a source of revenue for projects that address stormwater quality.

**State Park System Funding.** The Conference Committee adopted the Governor's May Revision recommendation to provide \$13.3 million in funding (which includes

Each Supervisor  
July 11, 2008  
Page 3

\$1.5 million in revenue from increased State park fees at selected State parks where the effect on attendance would be minimal) for the California Department of Parks and Recreation to allow the State parks targeted for closure in the Governor's Proposed Budget to remain open.

### **Status of County-Sponsored Legislation**

**County-sponsored AB 1903 (Hernandez)**, as amended on July 2, 2008, which would provide liability protection for DPW in their lined and unlined channels and adjacent spreading grounds during flood control and water conservation operations, passed the Senate Floor on July 10, 2008 by a vote of 35 to 0 and now proceeds to the Assembly for concurrence in Senate amendments. The Senate amendments require special consideration for injured parties under the age of 16. AB 1903 has an urgency clause and would become effective immediately upon signature by the Governor.

We will continue to keep you advised.

WTF:GK:MAL  
IGR:mp

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association  
League of California Cities  
City Managers Associations  
Buddy Program Participants